

FISCAL NOTE
SB 722 - HB 1418

April 3, 2005

SUMMARY OF BILL: Increases the maximum number of charter schools from nine to 12 statewide that can be formed to *address the unique needs of students eligible for special education services as identified by federal guidelines or provide local school systems the option to work in concert with the state's public higher education teacher training institutions.*

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Shifts BEP funds within the LEAs, from traditional public schools to public charter schools, in an amount estimated to exceed \$100,000.

Assumptions:

- The bill increases the number of students who would be eligible as well as removing the annual limit on the number of charter schools that can be approved.
- Currently, there are no Type III charter schools in Tennessee. Type III charter schools involve a local school system working in concert with a public higher education teacher training institution.
- Any increase in the number of potential charter schools or charter school students would result in a shift in local government revenues and expenditures from traditional public schools to the public charter schools within the LEA.
- Charter schools have an average enrollment of 100 students.
- An amount per student based on revenue would go to the charter school since funds follow the student.
- The LEA is given the same amount of funds to serve each child regardless of the number of charter schools or children enrolled in charter schools. Estimate assumes that this bill would not require additional BEP funds, but such education BEP funds would be reallocated from traditional public schools, as the funds follow the student, to public charter schools within the LEA.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director